

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 741 - HB 822

March 1, 2015

SUMMARY OF BILL: Authorizes local assessors to tax all leased government property, except for those that pay money in lieu of taxes, when the term of the lease is over thirty years without approval of the local legislative body. Excludes airport authorities and other public entities created by or subject to title 42.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – No fiscal impact to state government. The fiscal impact of this bill on local government is dependent upon multiple unknown factors. As a result, a precise fiscal impact for local government cannot be reasonably determined. However, any such local impact is considered permissive.

Assumptions:

- Based on the information obtained from the Office of the Comptroller, the fiscal impact to state government is estimated to be not significant.
- The Office of the Comptroller further states that no personnel, equipment, or additional supplies would be necessary for local assessors to complete this work, and situations in which lease terms on government properties exceed thirty years are rare.
- The fiscal impact of this bill to local government is dependent on multiple unknown factors such as the number of leases that will be entered into following passage of this bill which are in excess of 30 years, the specific property that will be leased, the timing for which such property is leased, the property tax that would be assessed and collected in the future under the provisions of this bill relative to the property tax that would be assessed and collected in the future under current law.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, reading "Jeffrey L. Spalding".

Jeffrey L. Spalding, Executive Director

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